GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3135
ANSWERED ON:20.12.2004
DECREASING OF AGRICULTURAL PRODUCTS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the percentage of agricultural product has decreased during the last five years;

(b) if so, whether the Government has reviewed the reasons for the decrease in the percentage of agricultural products; and

(c) the findings of the review and the reasons for the decrease?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a): The statistics of National Accounts compiled by Central Statistical Organisation reveal that the figures of Gross Domestic Product (GDP) in Agriculture including forestry and fishing as a percentage of overall GDP has shown a declining trend at current prices from 26.2% in 1999-2000 to 22.2% in 2003-04. The statement showing percentage of GDP in agriculture (agriculture product) including forestry and fishing in overall GDP during 1999-2000 to 2003- 2004 is given below:-

GDP (Rs. in crore) at current prices

Year	Agriculture Forestry and Fishing	All Sectors (Overall GDP)	%age share of Agriculture, Forestry and Fishing in overall GDP
1999-2000	461964	1761838	26.2
2000-01	468479	1902998	24.6
2001-02	521907	2090957	25.0
2002-03	509907	2249493	22.7
2003-04	560482	2523872	22.2

(b)&(c): The movement in the share of agriculture in overall GDP covering all sectors depends on the growth rate in agriculture vis-Ã - vis growth rates in other sectors, namely, industries and services. Relatively higher rate of decline in the share of GDP in agriculture during 2002-03 reflects the impact of severe drought that affected agriculture production and productivity in several States in the country. In order to reverse the declining trend in agricultural growth, it is necessary to accelerate investment in agriculture with a view to improving production and productivity across States/regions and crops. Government has, therefore, identified the following steps for focused attention aimed at promoting investment and growth in agriculture:-

(i) Doubling of rural credit in three years, easing the burden of debt and high interest rates, and nursing cooperatives back to health.

(ii) Launching special programme for dry land farming in the arid and semi-arid regions of the country, and for horticulture and water management.

(iii) Stepping up of public investment in agricultural research and extension, rural infrastructure and irrigation.

(iv) Marketing reforms in the States aimed at promoting direct marketing of agricultural commodities from the farmers` fields without the intermediation of licenced traders

and regulated markets.

(v) Providing investment subsidy to marketing infrastructure projects in States undertaking reforms.